

Program A: Office of Financial Institutions

Program Authorization: R.S. 6:1-138; 6:201-569; 6:641 et seq.; 6:701-950.8; 6:970-974; 6:1001 et seq.; 6:1031-1053; 6:1081 et seq.; 6:1111 et seq.; 6:1131 et seq.; 9:2130; 9:3510 et seq.; 36:101(c); 36:108(c); 37:1781-1809; 51:361-371; 51:701-724; 51:1921 et seq.; 51:2386 et seq.

Program Description

The mission of the Office of Financial Institutions (OFI) Program is to charter, license, and supervise those entities under its jurisdiction in order to protect the public interest and enhance confidence in the financial services industry.

The goals of the Financial Institutions Program are:

1. Provide effective, efficient, proactive supervision to all entities under OFI's jurisdiction.
2. Provide effective, efficient support, direction, and management to various OFI division and external constituents.

The Financial Institutions Program includes the following activities:

1. Executive Administration – The management arm of the agency, providing direction to the three other activities. Overall agency management, human resources, information systems, and other support functions reside in this activity. Business and Industrial Development Corporations (BIDCO) and Certified Louisiana Capital Companies (CAPCO) are also regulated through this activity.
2. Depository Institutions – Through the Depository Institutions Activity, the program regulates all state-chartered depository institutions including banks, savings banks, thrifts, their respective holding companies, and credit unions. OFI's banking division has been accredited by the Conference of State Bank Supervisors since 1989; OFI's credit union division has been accredited by the National Association of State Credit Union Supervisors; accreditation was received in 1995.
3. Non-Depository Institutions – Through the Non-depository Institutions Activity, the program is responsible for registering, licensing, and regulating the following: licensed lenders, pawn brokers, collection agencies, residential mortgage lenders, brokers and originators; credit repair service organizations, bond for deed escrow agents, sellers of checks, check cashers; and retail sales finance businesses which are required to file notification with OFI.
4. Securities – All securities offerings, agents, broker dealers, and investment advisors are also regulated through the Securities Activity.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2001-2002	ACT 13 2002-2003	EXISTING 2002-2003	CONTINUATION 2003-2004	RECOMMENDED 2003-2004	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	7,155,121	8,004,449	8,004,449	8,275,517	7,926,138	(78,311)
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	\$7,155,121	\$8,004,449	\$8,004,449	\$8,275,517	\$7,926,138	(78,311)
EXPENDITURES & REQUEST:						
Salaries	\$4,874,321	\$5,303,478	\$5,227,850	\$5,412,939	\$5,227,850	\$0
Other Compensation	40,397	74,707	74,707	74,707	74,707	0
Related Benefits	1,049,433	1,162,089	1,237,717	1,344,640	1,176,629	(61,088)
Total Operating Expenses	1,016,735	1,007,521	1,002,606	1,034,792	1,033,481	30,875
Professional Services	2,531	16,500	16,500	16,911	16,500	0
Total Other Charges	51,061	191,830	196,855	226,069	231,512	34,657
Total Acq. & Major Repairs	120,643	248,324	248,214	165,459	165,459	(82,755)
TOTAL EXPENDITURES AND REQUEST	\$7,155,121	\$8,004,449	\$8,004,449	\$8,275,517	\$7,926,138	(78,311)
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	128	129	129	129	126	(3)
Unclassified	1	1	1	1	1	0
TOTAL	129	130	130	130	127	(3)

SOURCE OF FUNDING

This program is funded with Fees and Self-Generated Revenues. Fees and Self-Generated Revenues are derived from fees charged to businesses and corporations of the financial industry, such as banks and branch application fees, reservation of a name, holding company assessments, special examinations, trust and transfer agent examinations, thrift mergers, credit union assessments, in consumer loan broker fees, securities, and small business administration fees, etc.

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$8,004,449	130	ACT 13 FISCAL YEAR 2002-2003
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$8,004,449	130	EXISTING OPERATING BUDGET - December 2, 2002
\$0	\$100,847	0	Annualization of FY 2002-2003 Classified State Employees Merit Increase
\$0	\$78,808	0	Classified State Employees Merit Increases for FY 2003-2004
\$0	\$5,891	0	Risk Management Adjustment
\$0	\$165,459	0	Acquisitions & Major Repairs
\$0	(\$248,214)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$5,726	0	UPS Fees
\$0	\$186,764	0	Salary Base Adjustment
\$0	(\$242,262)	0	Attrition Adjustment
\$0	(\$156,841)	(3)	Personnel Reductions
\$0	\$53,372	0	Group Insurance Adjustment
\$0	(\$316)	0	Civil Service Fees
\$0	(\$81,776)	0	Other Non-Recurring Adjustments - Group Benefits premium adjustment
\$0	\$20,000	0	Other Adjustments - Training for examiners and office personnel on Business and Industrial Development Corporations (BIDCO) and Certified Louisiana Capital Companies (CAPCO)
\$0	\$16,000	0	Other Adjustments - Increased cost of State Police background checks
\$0	\$10,875	0	Other Adjustments - Rental increases for three buildings and parking in Lafayette
\$0	\$7,466	0	Other Adjustments - Statewide adjustments for Administrative Law and Comprehensive Public Training Program (CPTP)
\$0	(\$110)	0	Other Adjustments - Adjustment to the Office of Motor Vehicles for title and handling fees for new vehicles
\$0	\$7,926,138	127	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$7,926,138	127	BASE EXECUTIVE BUDGET FISCAL YEAR 2003-2004

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$7,926,138	127	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$10,000	Legal services provided.
\$6,500	Provide presentations on topics related to banking, thrifts, and other regulatory areas at the annual meeting and any other professional services deemed necessary.
\$16,500	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$0 None

\$0 SUB-TOTAL OTHER CHARGES**Interagency Transfers:**

\$73,229	Office of Risk Management fees
\$59,308	Office of Telecommunication Management fees
\$31,374	Investigator fees for the background checks (completed by the Office of State Police) for licensed lenders, pawnbrokers, collection agencies, and bank board members
\$18,635	Department of Civil Service fees
\$16,874	Division of Administrative Law
\$12,596	Ancillary expenses, including State Printing, State Register, and State Mail.
\$11,829	Legislative Auditor expenses
\$5,726	Uniform Payroll Systems fees
\$1,941	Comprehensive Public Training Program fees

\$231,512 SUB-TOTAL INTERAGENCY TRANSFERS**\$231,512 TOTAL OTHER CHARGES**

ACQUISITIONS AND MAJOR REPAIRS

\$95,569	Replacement computer equipment and office equipment necessary to meet department standards.
\$69,890	Replacement of four vehicles.
\$165,459	TOTAL ACQUISITIONS AND MAJOR REPAIRS